From: Sinks, Tom [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP

(FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=001007B7D256453A8A19B91DF704E22C-SINKS, TOM]

Sent: 4/17/2018 5:58:38 PM

To: Grifo, Francesca [/o=ExchangeLabs/ou=Exchange Administrative Group

(FYDIBOHF23SPDLT)/cn=Recipients/cn=8c4870bfab004fa0ac47bc8659d9903b-Grifo, Fran]; Otto, Martha

[/o=ExchangeLabs/ou=Exchange Administrative Group

(FYDIBOHF23SPDLT)/cn=Recipients/cn=1bb74ccb24aa444097dc5a63b976269b-Otto, Martha]; Hawkins, CherylA

[/o=ExchangeLabs/ou=Exchange Administrative Group

(FYDIBOHF23SPDLT)/cn=Recipients/cn=d917bee23e774e0dbb05ce06d694985e-Hawkins, CherylA]; Cogliano,

Vincent [/o=ExchangeLabs/ou=Exchange Administrative Group

(FYDIBOHF23SPDLT)/cn=Recipients/cn=51f2736376ac4d32bad2fe7cfef2886b-Cogliano, Vincent]; D'Arcy, Daniel

[/o=ExchangeLabs/ou=Exchange Administrative Group

(FYDIBOHF23SPDLT)/cn=Recipients/cn=0344e54c7b1648bfa5672c497b4fddf8-D'Arcy, Dan]

Subject: FW: EPA Research News Clips 4/16/2018

From: McGuinness, Moira

Sent: Monday, April 16, 2018 4:21 PM Subject: EPA Research News Clips 4/16/2018

EPA General/ Administrator Pruitt

OIRA Working With EPA To Develop 'Best Practices' On Scientific Data Inside EPA

White House regulatory chief Neomi Rao says her staff is working with EPA on developing a policy on the use of scientific data that underlies its rules, suggesting that the agency may take a softer approach than Administrator Scott Pruitt had signaled when he said he would require the agency to rely only on publicly available data to justify its rules.

During <u>an April 12 hearing</u> before the Senate subcommittee on regulatory affairs and federal management, Rao said under questioning from Sen. Maggie Hassan (D-NH) that EPA was seeking to find a "balance" between using the "best available" data and publicly available data.

Hassan pressed Rao on whether federal agencies should use the best available science to make decisions regardless of whether that information is available to the public as Pruitt has suggested.

"Questions on information quality are very important to us. That is something my staff has been working with EPA on to develop best practices in that area," Rao said after Hassan asked whether the White House Office of Information and Regulatory Affairs (OIRA) has provided any input to Pruitt on his proposal.

Hassan asked Rao whether Pruitt's policy as described makes sense. "We want to make sure we have the best available evidence," Rao replied. "It's also important for the public to have notice and information about the types of studies that are being used . . . by agencies for decisionmaking. There is a balance to be struck there, and I think that is something that the EPA is working towards."

Rao's characterization of the issue appears to offer an eased approach to the data transparency policy that Pruitt floated last month, when he said he planned to require the agency to justify its regulations based on scientific data that is publicly available on the internet.

"We need to make sure their data and methodology are published as part of the record," Pruitt said. "Otherwise, it's not transparent. It's not objectively measured, and that's important."

He said the policy will mirror legislation offered by Rep. Lamar Smith (R-TX), chairman of the House science committee. It directs the agency to use the "best available science" in all its actions, but bars the agency from using any studies that cannot be released publicly online "in a manner that is sufficient for independent analysis and substantial reproduction of research results."

But the planned approach drew widespread criticisms, with many environmentalists and Democrats warning it would undermine development of many regulations.

Many observers also charged that such a policy would face <u>legal and implementation controversies</u>, including potential violations of medical privacy protections, trade secret information and other data that form the basis for air quality standards, pesticide and chemical approvals and other rules.

One knowledgeable source said late last month that an early version of the policy had been drafted several weeks earlier, though the first draft was "pretty sketchy. The first cut was fully [Smith's bill], but there were a lot of questions about what it would mean." and how it would be implemented.

Maintain Procedures

Since Pruitt's public discussion of the issue, EPA has yet to publicly release any version of the policy.

But Rao indicated that her staff was working with the issue as the agency sought to find a "balance" between using the "best" data and data that is publicly available.

And in response to Hassan, Rao said she would not support agencies changing their procedures in ways that prevent them from using the best available evidence when making these decisions.

"I'm very glad to hear that," Hassan replied. "One of the reasons I am very concerned about the EPA proposal, it seems like common sense to use the best evidence to make decisions. But what we are looking at is the agency really describing a move away from the scientific process. There isn't perfect data or perfect science. Scientific evaluation and data and analysis is an ongoing process." -- Maria Hegstad (mhegstad@iwpnews.com)

As Scientists March, Federal Researchers Weather Trump Storm WIRED

Scott Pruitt Isn't Anti-Science National Review

FOIA WHAT IT'S WORTH: Politico's Morning Energy

The Center for Public Integrity says it has <u>filed a lawsuit</u> Friday against EPA, seeking public records after the agency failed to respond in a timely fashion to 25 Freedom of Information Act requests filed in 2017 and early 2018. The complaint says EPA's online system "does not list realistic estimated dates of completion for FOIA requests it receives and does not update estimated dates of completion after the listed dates have passed." The Center says EPA did not respond to requests for an updated schedule.

Center for Public Integrity sues EPA over public-records delays - Center for Public Integrity

EPA: Watchdog group calls for investigation of IG E&E News PM

Citizens for Responsibility and Ethics in Washington has requested a review of the EPA inspector general's head of investigations.

The ethics watchdog group today sent a <u>letter</u> to the Council of the Inspectors General on Integrity and Efficiency requesting its Integrity Committee "investigate whether EPA Assistant Inspector General for Investigations Patrick Sullivan engaged in conduct that undermined his independence or integrity."

The council, or CIGIE, is part of the executive branch and oversees IGs across the federal government.

One of its duties is to review complaints against the agencies' internal watchdogs, which are adjudicated by its Integrity Committee. Labor Department Inspector General Scott Dahl and Deborah Jeffrey, the Corporation for National and Community Service's inspector general, are the panel's members.

CREW's letter comes after a *New York Times* report yesterday that Sullivan is considered close with Pasquale "Nino" Perrotta, chief of Administrator Scott Pruitt's security team. Perrotta has emerged as a central figure in some of the ethics allegations surrounding Pruitt, specifically the purchase of potentially unwarranted security measures for the EPA chief.

The EPA IG has an open audit of agency spending on Pruitt's personal security, which is expected to be released this summer. IG spokesman Jeff Lagda would neither confirm nor deny the existence of an investigation into Perrotta.

Sullivan and Perrotta both served in the Secret Service before coming to EPA, and Perrotta first worked in the IG office before heading elsewhere in the agency. They have been spotted drinking together across the street from EPA headquarters in Washington, D.C., according to the *Times'* story.

"It appears that the information set forth in the Times article merits review by the Integrity Committee as conduct that may undermine the independence or integrity reasonably expected of Mr. Sullivan, and so critically important investigation or investigations currently being undertaken by the EPA Inspector General," said the letter, which was signed by CREW Executive Director Noah Bookbinder and Norm Eisen, CREW's board chairman.

Lagda disputed the reporting in the *Times*' story.

He said Sullivan never worked with Perrotta in the past and didn't know him until Sullivan came to the IG office in 2011.

"They have worked together since 2011 on issues related to their official duties, such as threat investigations. They are professional colleagues and friendly, but do not socialize out of work," Lagda said.

The IG spokesman said Sullivan has never had drinks with Perrotta "anywhere or at any time" and has never been to the Elephant and Castle with Perrotta — the bar where the *Times* said Sullivan was seen with Pruitt's security chief.

Lagda said, "The OIG welcomes a CIGIE IC review regarding CREW's concerns."

Watchdog requests probe into relationship between top EPA aide and man investigating him.

Ethics and the EPA: How one government office helped turn up the heat on Scott Pruitt The Washington Post

Democrats ask EPA's Pruitt for details on weapons, security buys - Reuters GAO finds Pruitt phone booth violated spending laws Inside EPA

The first in a series of expected watchdog reports into EPA Administrator Scott Pruitt's spending and ethics practices has found that the administrator's installation of \$43,000 sound-proof privacy booth in his office violated several legislative requirements, ensuring continued criticism and scrutiny.

In <u>an April 16 decision</u>, the Government Accountability Office (GAO) says installation of the booth broke a fiscal year 2017 spending law that required advance notification of major upgrades to offices for presidential appointees.

Further, GAO says that "because EPA obligated appropriated funds in a manner specifically prohibited by law, we conclude that EPA violated the Antideficiency Act," which prohibits agencies from spending money in excess of appropriations.

The sound-proof booth has been one issue in <u>a raft of ongoing allegations</u> about Pruitt's spending and ethics problems, with critics citing it as an example of the administrator's willingness to flout spending constraints to address what he sees as pressing security challenges.

Even some Republicans, like Rep. Trey Gowdy (R-SC), have charged that some of Pruitt's explanations are not "credible."

GAO inquired into the issue at the request of Sens. Tom Carper (D-DE) and Tom Udall (D-NM), as well as Reps. Peter DeFazio (D-OR) and Betty McCollum (D-MN).

Udall, the ranking Democrat on the Senate appropriations panel that oversees EPA, last month <u>urged the agency</u> to cooperate with GAO's inquiry, charging that the agency had not provided any information to the watchdog office even though it sought responses to a series of questions by late January.

In its report, GAO says the booth and related installation cost \$43,238, which included \$24,500 for the booth itself, \$3,400 for concrete floor leveling, \$3,350 for wall preparation and painting, \$7,900 for removal of closed caption TV equipment and \$500 for cables and wires.

It cites an agency explanation for the booth as allowing Pruitt "to make and receive phone calls to discuss sensitive information," while also allowing him to "make and receive classified telephone calls (up to the top secret level) for the purpose of conducting agency business."

But GAO says the expenditure violates section 710 of the FY17 appropriations law, which requires agencies to notify the House and Senate when spending more than \$5,000 to furnish or redecorate an office of an agency head that has been appointed by the president.

While EPA argued the spending law provision did not apply because the booth was to be used to advance the agency's mission, GAO found the expense falls "squarely" within the statutory definition of "furnish."

Because the expense contradicted the FY17 law, GAO says the funds were not "legally available" and thus EPA also violated the Antideficiency Act and must report the violation.

"We draw no conclusions regarding whether the installation of the privacy booth was the only, or the best, way for EPA to provide a secure telephone line for the Administrator," GAO writes.

EPA: Agency's handling of Pruitt phone booth broke law — GAO

This story was updated at 1:55 p.m. EDT.

The Government Accountability Office said today that EPA violated federal law by failing to tell lawmakers when it installed a secure phone booth in Administrator Scott Pruitt's office.

The deal cost EPA about \$43,000, including a nearly \$25,000 **contract** with a specialty acoustics company for the soundproof booth's purchase, delivery and assembly.

In an eight-page <u>decision</u>, the congressional watchdog concluded that EPA breached appropriations law — specifically the governmentwide \$5,000 spending cap on office redecoration for political appointees — by not giving advance notice to Congress' appropriations committees. In addition, GAO found that since EPA spent its appropriated funds in a way banned by the law, it also broke the Antideficiency Act and needs to report its violation to Congress and the president.

The GAO decision quotes often from an EPA March 23 <u>letter</u> by Kevin Minoli, the agency's principal deputy general counsel, that pushes back on its ruling.

EPA argued Pruitt's phone booth "serves a functional purpose" by allowing the administrator to carry out agency business and compared it to other office supplies, like high-speed copiers or computers. Thus, the booth was a practical addition to the administrator's office and did not violate the specific appropriations law provision since it was not "an aesthetic improvement" contemplated by that measure, according to the agency.

GAO disagreed with EPA's interpretation of the law. The agency will be sending the required information to lawmakers this week related to Pruitt's phone booth.

"The GAO letter 'recognized the ... need for employees to have access to a secure telephone line' when handling sensitive information. EPA is addressing GAO's concern, with regard to congressional notification about this expense and will be sending Congress the necessary information this week," EPA spokeswoman Liz Bowman said.

Without advance notice to lawmakers, EPA obligated \$43,239 from its fiscal 2017 environmental programs and management account to install the soundproof privacy booth in Pruitt's office, according to the GAO decision. Along with the \$24,570 contract for the actual booth, that sum included \$7,978 to remove closed-circuit television cameras, \$3,470 for concrete floor leveling, \$3,360.97 to install a drop ceiling, \$3,350 for patchwork and painting, and \$509.71 for cabling and wiring.

EPA told GAO the booth is located in a former storage closet in Pruitt's office.

The agency also said that under its guidelines, a classified phone cannot be put on an office desk or in a conference room. In Minoli's letter, EPA told GAO that the booth "not only enables the Administrator to make and receive phone calls to discuss sensitive information, but it also enables him to use this area to make and receive classified telephone calls (up to the top secret level) for the purpose of conducting agency business."

In a congressional hearing last December, Pruitt described the booth as "a secure phone line" that he uses for sensitive talks, including with the White House (*E&E News PM*, Dec. 7, 2017).

But GAO noted the agency didn't say whether the booth was certified as a sensitive compartmented information facility, or SCIF. Former EPA officials told E&E News that the agency already has a SCIF in the basement of its Washington headquarters, which sees little use given the agency doesn't deal often with classified information (*Greenwire*, Sept. 27, 2017).

GAO stressed it was not ruling on whether Pruitt's phone booth itself broke the law, rather that EPA's failure to notify Congress about its spending above the \$5,000 limit was the breach.

"GAO recognizes the requirement to protect classified material and draws no conclusions regarding whether the installation of the privacy booth was the only, or the best way for EPA to provide a secure telephone line for the Administrator. EPA's failure to comply with a governmentwide statutory requirement that an agency notify the appropriations committees before it spends more than \$5,000 for the office of a Presidential appointee is the only legal issue addressed in this opinion," said Julie Matta, GAO's managing associate general counsel, in a statement.

'An illegal privacy booth'

Democrats on Capitol Hill had requested the legal opinion from GAO on Pruitt's phone. They blasted the EPA chief after the decision was released today.

"Scott Pruitt likes to talk about returning the EPA to the rule of law, but it turns out he's better at breaking it than following it. ... An illegal privacy booth to conduct secret discussions with his polluter friends does nothing to help our health or environment," said Sen. Tom Udall (D-N.M.), ranking member on the Senate Appropriations subcommittee that oversees EPA.

Statements from environmental groups also poured in, with several calling on Pruitt to leave the agency.

"With each passing day, Pruitt has created more headaches for Donald Trump with his mounting list of ethical and now legal violations. Donald Trump shouldn't wait to see what ethical norm or law Pruitt breaks next. He must fire him immediately," said Sierra Club Executive Director Michael Brune.

Republicans also expressed concerns in response to the GAO ruling released today. Senate Environment and Public Works Chairman John Barrasso (R-Wyo.) said EPA needs to make "a full public accounting" of its spending on Pruitt's phone booth.

"It is critical that EPA and all federal agencies comply with notification requirements to Congress before spending taxpayer dollars. EPA must give a full public accounting of this expenditure and explain why the agency thinks it was complying with the law," Barrasso said.

EPA in the past has run up against GAO legal opinions.

In December 2015, the congressional watchdog found that the agency had violated federal restrictions on lobbying and propaganda in its social media campaign on behalf of the Waters of the U.S. rule (*E&E News PM*, Dec. 14, 2015). Pruitt has since sought to roll back that regulation at the agency.

COMING TODAY - IG REPORT ON PRUITT HIRING: Politico's Morning Energy

Amid new and ongoing investigations into EPA Administrator Scott Pruitt, the agency's inspector general will shed some new light on his unorthodox hiring practices. The internal watchdog is releasing an interim report today on Pruitt's decision to hire several political aides using special authority he has under the Safe Drinking Water Act - part of a probe that began before recent reports that the administrator had relied on that same provision to get big raises for two top aides despite objections from the White House. (Pruitt has denied those reports and said the raises have been reversed.)

More than a dozen political appointees at EPA have been hired under the SDWA authority, which allowed them to avoid being subject to typical federal hiring restrictions or the Trump administration's ethics pledge, Pro's Alex Guillén reports. Among those hires: Nancy Beck, a former expert for the American Chemistry Council who is the new deputy assistant administrator in EPA's chemical office, and Lee Forsgren, the deputy in EPA's water office, and several public affairs staffers. Beck, for one, has made a number of controversial changes relating to implementation of the Toxic Substances Control Act. The agency's senior ethics counsel told POLITICO last summer that she did not need an ethics recusal to do so, even though she had been heavily involved with the issue in her previous job.

The IG audit began in January, and while the scope of today's report remains unclear, it could include urgent information the IG thinks Pruitt needs to know about before the audit is completely finished. Whether the IG has expanded that existing probe to include Pruitt's recent controversy is also unclear.

EPA watchdog to release report Monday on Pruitt hiring controversy Washington Examiner GOWDY TO PRUITT: BECOME A MONK? Politico's Morning Energy

Two days after <u>expanding</u> his probe into Pruitt's travel and security costs, House Oversight Committee <u>Trey Gowdy</u> offered the EPA administrator some advice in a "Fox News Sunday" appearance. "The notion that I've got to fly first class because I don't want people to be mean to me, you need to go into another line of work if you don't want people to be mean to you," the South Carolina Republican said. "Like maybe a monk, where you don't come in contact with anyone." Gowdy said Pruitt's fate rested with President Donald Trump - "I don't know how much trouble he's in" - but defended his expanding probe into the embattled EPA chief.

Ewire: Gowdy says Pruitt travel explanation not 'credible' Inside EPA

The Republican chairman of the House oversight committee says Scott Pruitt's explanation for why he needed to fly first class does not appear not "credible," arguing that the EPA administrator did not need the pricey tickets to avoid unpleasant interactions with fellow passengers over security concerns.

"I'd be shocked if that many people knew who Scott Pruitt was," Rep. Trey Gowdy (R-SC) told Fox News Sunday. "So the notion that I've got to fly first class because I don't want people to be mean to me -- you need to go into another line of work if you don't want people to be mean to you. Like maybe a monk, where you don't come in contact with anyone."

Gowdy late last week sent a letter to Pruitt demanding interviews with five close EPA aides, <u>according to the Associated Press</u>. The oversight chairman is also seeking a raft of documents related to Pruitt's travel spending and "unprecedented" security measures.

The letter seeks interviews with Pruitt security chief Pasquale "Nino" Perrotta -- who <u>has emerged as a central figure</u> in many of the swirling headlines about Pruitt's alleged ethical lapses -- as well as agency Chief of Staff Ryan Jackson.

Gowdy also hopes to interview former agency political aide Kevin Chmielewski -- who confirmed many details of news reports about the ethics scandals in a prior interview with Democratic lawmakers -- and two Pruitt aides who worked with him when he was attorney general of Oklahoma, and who are the subject of a separate investigation into whether Pruitt bypassed the White House to give them hefty pay raises.

If nothing else, the latest developments in the lawmaker's ongoing investigation continues to keep Pruitt's ethical troubles in the news, despite President Donald Trump's stated support for the agency chief.

In addition, it comes as EPA's inspector general (IG) is slated to release an "interim" report today that will look at Pruitt's use of the Safe Drinking Water Act to fill "administratively designated" positions.

Pruitt reportedly used that provision in the law to give the controversial raises to the two aides identified in Gowdy's letter, though it is not clear whether the forthcoming IG report will address that issue or more broadly address Pruitt's use of the drinking water law's hiring provisions.

Gowdy sent Pruitt a letter Friday, Politico's Morning Energy

...demanding additional documents and interviews with several of his top aides. He asked Pruitt to provide documentation related to his round-the-clock security protection, contracts to sweep Pruitt's office for electronic surveillance, his trips to Italy and Morocco, the hiring of an Italian security firm, and travel by Pasquale "Nino" Perrotta. The oversight committee chairman also demanded interviews with five of Pruitt's aides: chief of staff Ryan Jackson; Perrotta, the head of Pruitt's security detail; Kevin Chmielewski, a former Trump campaign aide who was Pruitt's deputy chief of staff; senior legal counsel Sarah Greenwalt and scheduling director Millan Hupp, both of whom received significant raises under the SWDA. Gowdy's letter arrived one day after his staff met for several hours with Chmielewski, who is being treated as a whistle blower.

Former EPA political aide who clashed with Pruitt faces ethics charge Inside EPA

A former top EPA political appointee who has recently spoken out on Administrator Scott Pruitt's ethics and spending scandals is himself facing accusations that he violated ethics laws, with the possibility of a criminal indictment if the charges prove true.

<u>ProPublica reports</u> that Kevin Chmielewski, Pruitt's former deputy chief of staff for operations, never filed a financial disclosure form that would have identified potential conflicts of interest in his work at EPA.

"EPA officials say Chmielewski has not been granted any extensions, and he's still obligated to provide a financial disclosure even though he has left the agency," says the article, which notes that in the past officials have been criminally charged for failure to file a report as required by the Ethics in Government Act.

Previous violations of the law have led to four-figure fines, but Chmielewski could face a stiffer penalty because he never filed a disclosure at all. *ProPublica* reports that the prior officials failed to file a final report upon leaving their government posts, and calls an official neglecting to fill out the initial report "unprecedented."

Chmielewski recently spoke to Democratic lawmakers about Pruitt's spending and alleged unethical conduct, providing details that formed the basis for an April 12 letter to President Donald Trump calling for Pruitt's ouster.

That letter cites Pruitt's effort to "marginalize" his chief of staff, Ryan Jackson, in favor of a pair of close aides who worked with Pruitt in Oklahoma. Both aides are themselves subjects of an investigation over claims that Pruitt gave them significant raises despite the White House denying his request, using Safe Drinking Water Act authority for emergency personnel moves.

"[I]f you speak with knowledgeable parties like Mr. Chmielewski and examine relevant documents, it will become clear that the right course of action in this case is to hold Administrator Pruitt accountable for his serious ethical lapses and to restore honest, competent leadership to EPA so that this important agency may fulfill its critical mission," the letter says.

But if Chmielewski becomes embroiled in his own ethics scandal, it could become more difficult for Pruitt opponents to use him as a centerpiece of their claims against the administrator.

YOU DON'T GOT A FRIEND IN ME: Politico's Morning Energy

Patrick Sullivan, the assistant IG in charge of investigations at EPA, is disputing a New York Times <u>report</u> that says he is friends with the head of Pruitt's protective detail, according to a spokeswoman for the internal watchdog. The Times report became the basis Friday of a <u>request</u> from the watchdog group Citizens for Responsibility and Ethics for an investigation from a council of federal inspectors general. But Sullivan disputed claims that he had drinks with Perrotta, "anywhere or at any time," IG spokeswoman Tia Elbaum said in an email Friday. A Times spokesperson said the paper stands by its story. Alex has more <u>here</u>.

EPA'S KELLY ADDRESSES BANKING BAN: Politico's Morning Energy

Albert Kelly, Pruitt's senior adviser on Superfund issues - who joined the agency after agreeing to be banned from working in the banking industry - recently spoke to The Montana Standard and addressed the Federal Deposit Insurance Corp. controversy for the first time. Kelly's bank, SpiritBank of Tulsa, made several loans to Pruitt, which he addressed. "There are no questionable loans by my bank to the administrator. If you go back and look at any loans to the administrator, without going into his privacy, they were very solid," Kelly said. "They were done in a very positive way and were paid off."

His problem with the FDIC, he said, involved a particular transaction in 2010. "They didn't like it," Kelly said, dodging on the root cause of <u>his ban</u>. "The bank didn't lose any money. The bank made money. There was nothing untoward about it." The former banker also told the Standard Pruitt is still planning on visiting Butte, Mont. in August. More <u>here</u>.

How Conservative Activists Saved Scott Pruitt's Job—for Now Bloomberg Environment & Energy Report

During the first week of April, as scandals piled on top of Environmental Protection Agency Administrator Scott Pruitt, it looked like his job was in jeopardy.

A handful of lawmakers, including two Republicans, called for him to resign after reports surfaced that he'd rented a Capitol Hill condo on unusually agreeable terms from the wife of a prominent energy lobbyist with business before the

EPA. Top administration officials distanced themselves from Pruitt as the White House launched a review of his actions, and Chief of Staff John Kelly told President Trump it was time for the EPA chief to go.

Pruitt was already controversial.

The former Oklahoma attorney general, who made a name for himself suing the agency he now runs, had drawn fire for his enlarged security detail, his habit of flying first class, and the \$43,000 installation of a soundproof booth in his office, not to mention his disregard for climate science.

But this time it felt like a line had been crossed, especially as damaging revelations kept coming, seemingly every hour. Reports surfaced of staff being reassigned or demoted for challenging him and of Pruitt using an obscure law to give two close aides hefty raises over White House objections.

#StandWithScottPruitt

When the EPA's general counsel walked back his initial assessment that the rental deal didn't violate federal ethics laws, Pruitt looked like a goner.

What happened next is a testament to the EPA administrator's ties to the business community and how crucial he is to the conservative antiregulation agenda. By the evening of April 5, an aggressive advocacy campaign to save his job had kicked into gear as activists, business executives, and Republican politicians came to his defense.

The campaign went public when FreedomWorks, a powerful right-wing advocacy group, blasted out a call for help to its online community of 5.7 million conservatives, including on Facebook, Twitter, and by email, reminding them of Pruitt's record on rolling back regulations and asking them to call the White House and Congress to support him. The group also promoted a #StandWithScottPruitt hashtag on social media, highlighting it in multiple tweets, including one asserting that he was the victim of a "smear campaign" by the "radical left."

Among those responding was Dallas investor Doug Deason, whose family has given millions to right-wing candidates. He texted and emailed contacts at the White House to make clear he wanted Pruitt to stay. As reports surfaced that Trump's chief of staff had suggested the EPA chief needed to go, Deason got angry. "If that's true, I think Kelly needs to go because he has no spine," he says. "We need to get on the offense."

Back in Washington, conservative leaders including Myron Ebell of the Competitive Enterprise Institute and Tom Pyle of the American Energy Alliance scrambled to find ways to show support, resulting in an open letter from dozens of Republicans hailing Pruitt's work.

'A Conservative Hero'

Soon, what started as an email effort morphed into a full-throated #SaveScott campaign, with prominent Republicans and leaders of the Tea Party movement such as Steve Forbes and Kentucky Sen. Rand Paul penning op-eds, posting on Twitter, and picking up the phone to lobby the president against firing the man they see as a champion of deregulation and for whose confirmation they fought.

"He's a conservative hero," Deason says. "We burned a lot of chits to get him into that position." They couldn't afford to lose him now.

By the end of the week, Trump had heard from billionaire Oklahoma oilman Harold Hamm and confidant Chris Ruddy, chief executive officer of Newsmax Media Inc., voicing their support. By the night of April 7 it looked like Pruitt was safe when <u>Trump tweeted</u> that, despite the issues surrounding the security detail and rental agreement, "Scott is doing a great job!"

One factor working in Pruitt's favor is that Trump is unlikely to get anyone like him through the confirmation process again. Senate Republicans warned it would be tough—if not impossible—to confirm a replacement.

Given three bruising confirmation battles expected for the president's picks to lead the CIA, the Department of Veterans Affairs, and the State Department, there isn't much appetite for a fourth.

Trump "will be forced to nominate someone who is more moderate on the environment, or he will get tattooed in the Senate," says Dan Eberhart, CEO of Canary LLC, a Colorado-based drilling-services company, and a major GOP donor.

Deregulation Star

Pruitt has emerged as the deregulation star of Trump's cabinet, methodically dismantling rules meant to protect the environment. He's proposed scrapping President Obama's signature plan to cut carbon emissions, is rewriting a water pollution rule, and has quashed an effort to put new limits on methane leaks from oil wells.

"Pruitt is the most conservative member of the cabinet, both in temperament and action," says Republican strategist Mike McKenna. "He's also the guy who has done the most for the president's agenda."

His support among Senate Republicans isn't absolute. In a series of interviews, some voiced concerns over his spending habits and the potential blowback. "He needs to stop leading with his chin," says Republican Sen. John Kennedy of Louisiana. "This is taxpayer money he is spending, and he needs to treat it like the precious commodity it is. I can support his policies without supporting his behavior."

Environmental groups are stepping up opposition research and a "boot Pruitt" campaign on Twitter.

The Sierra Club broadcast a critical ad on Fox News Channel's Fox & Friends, which the president watches faithfully. The Sierra Club has received funding from Bloomberg Philanthropies, the charitable organization founded by Michael Bloomberg, the ultimate owner of Bloomberg Environment.

Activists are scouring Pruitt's real estate transactions, records from his tenure as Oklahoma's attorney general, and documentation of his travel for any tantalizing detail.

"The environmental movement in total is all in for the removal of Scott Pruitt," says Lukas Ross, a campaigner with the group Friends of the Earth. "You are going to see escalating pressure in the coming days, especially on the Senate side, to get members to commit publicly that Pruitt should be fired."

The government's top ethics official, David Apol, is urging the EPA to investigate Pruitt.

Series of Investigations

At least four probes are under way, and the agency's inspector general's office has been asked to open other investigations into his condo agreement.

Another conflict may relate to the man behind some of Pruitt's most controversial security upgrades, including biometric locks in his office and his round-the-clock bodyguards. Pasquale "Nino" Perrotta is a former Secret Service agent who got the job protecting the administrator last year after the previous security head questioned some decisions and was reassigned, according to a person familiar with the change.

At issue is an EPA security move that may have enriched one of Perrotta's business partners, Edwin Steinmetz, the vice president for technical surveillance countermeasures at Perrotta's Maryland-based company, Sequoia Security Group Inc. Perrotta is the company's principal, and the EPA's \$3,000 contract to search for bugs in Pruitt's office was awarded to Edwin Steinmetz Associates LLC. Perrotta didn't respond to messages seeking comment.

Perrotta played a key role in the agency's decision to guard Pruitt 24 hours a day, a major shift from the typical approach giving administrators only "door-to-door" protection. Now at least 19 agents guard the EPA chief day and night, and the number may be higher depending on travel and other needs.

"Perrotta is at the center of these decisions to spend money in ridiculous ways," says Austin Evers, the executive director of American Oversight, a government watchdog group probing the EPA's security decisions. "The administrator has gone out of his way to pick someone to lead his detail who will say 'yes' to everything and give him the entourage he apparently dreamed of."

EPA: Skeptics who aided Pruitt see a chief with nothing to lose Climatewire

Scott Pruitt could be poised to adopt a more aggressive approach against climate science after conservatives rallied around the embattled EPA chief.

Media scrutiny on the ethical lapses dogging Pruitt seem to have strengthened his bond with President Trump, according to those familiar with the president's thinking. Trump sees much of himself in Pruitt — a renegade Washington outsider perceived as being under siege by Democrats and the press.

Conservatives who have championed Trump's policies from the outside have mounted an effective campaign to defend Pruitt. Those organizations are influential in today's administration and see Pruitt as a dyed-in-the-wool defender of their core beliefs, from property rights to Christian values.

"[Trump] has actually referenced it in meetings, that people have been weighing in on Pruitt's behalf," said an industry source who talks with "industrialists and movement conservatives" in Trump's inner circle.

Conservatives have launched a media blitz to buoy Pruitt. On Wednesday, 22 conservative movement leaders — led by climate skeptic group the Heartland Institute — sent Trump a letter defending Pruitt's "record of leadership" that said "radical environmentalists and the biased media are trying to force him out of office" in an "example of selective outrage by those you defeated in your election" (*E&E News PM*, April 11).

That support has buttressed Pruitt against rumors that some White House aides, including chief of staff John Kelly, want him gone. Trump has stuck by him. He now knows who his friends are, and his friends are Trump's friends.

"Whatever was on their wish list as a 'possible' is moving to the 'more likely' column because he has nothing to lose," said Marc Morano, a former staffer for Sen. Jim Inhofe (R-Okla.) on the Environment and Public Works Committee.

Morano stressed an important caveat — Pruitt's ability to act stridently depends on whether he can escape further embarrassment or scandal. Those odds are growing murkier in the wake of a widening probe by House Oversight and Government Reform Chairman Trey Gowdy (R-S.C.). House investigators requested a trove of documents and recorded interviews with Pruitt aides.

The investigation increases Pruitt's potential exposure to new revelations. So far, he's survived scrutiny around his deal to rent a condo for \$50 per night from the wife of an energy lobbyist, spending on lavish travel and security, reassigning staff that questioned those decisions, and approving large pay bumps for two aides despite White House disapproval. Some of those claims were brought to light by Kevin Chmielewski, an EPA aide and former Trump campaign hand, in conversations with congressional Republicans and Democrats.

For those wondering how Pruitt may operate going forward, a meeting last week at the Heritage Foundation offered clues. Casting aside criticism that he's embraced fringe voices on environmental issues, he sat down with a whole roster of them for a policy discussion, attendees said.

Most of the participants are interested in policies aimed at dismantling greenhouse gas regulation. Attendees included Myron Ebell of the Competitive Enterprise Institute; Patrick Michaels of the Cato Institute; Kenny Stein of the Institute for Energy Research; and Steve Milloy, a former EPA transition member under Trump (*E&E News PM*, April 11).

"While [the] meeting was off-the-record, I can safely say that it was evolutionary and consistent with previous briefings he has held," Michaels said in an email.

To be sure, Pruitt has huddled often with that set. Some have been frustrated that Pruitt hasn't challenged the endangerment finding, which provides the legal underpinning for regulating greenhouse gases. It's a tall task, they acknowledge, and one that legal scholars and scientists argue is doomed to fail. To be successful, Pruitt and his team would need to rebut peer-reviewed climate science with evidence that humans are not warming the planet.

Pruitt also has promised the same audience a "red team, blue team" exercise to debate climate science. The White House reportedly nixed that idea, but it's unclear whether Pruitt has given up the push.

Those who participated in last week's meeting at the Heritage Foundation left with the feeling that bolder steps are on the way. They viewed the sit-down as a thank you for standing by Pruitt in a time of turmoil, but also as a rallying point.

"For people who are climate bedwetters, they're going to need a whole lot of extra diapers coming up," Milloy said.

But not everyone is convinced Pruitt is safe.

The White House has said it's conducting a review of the allegations against the EPA chief. But it hasn't said what exactly is under investigation or given a timeline for completion. The White House did not respond to a request for comment.

Trump's personnel decisions are "unpredictable," Ebell said. He said EPA has been increasingly cautious in its response to recent headlines, rather than taking the combative tone it used during earlier scrutiny regarding Pruitt's expensive travel and expanded security detail.

"I don't think they're trying to speed up the big announcements," Ebell said. "I'm not making a bet on how this turns out."

Still, Ebell said significant policy news is in the offing. But he's measured in assessing Pruitt's confidence about his own job security. Ebell noted the flurry of bad news already pushed one major policy development to the end of this month, though he declined to describe what it was.

A notice of proposed rulemaking that appeared on the Office of Management and Budget's Office of Information and Regulatory Affairs website last week said EPA is considering regulations to "increase consistency ... reliability to affected stakeholders, and increase transparency during the development of regulatory actions." *The Daily Caller* reported EPA will cease accounting for health co-benefits associated with greenhouse gas emissions reductions, such as decreases in fine particulate matter that are linked to heart and lung ailments.

Pruitt's team has tried to "keep a low profile" so as not to "feed this story," which isn't necessarily the marker of someone ready to take up the battle ax, Ebell said.

One thing giving Ebell confidence is Trump's April 7 tweet that defended Pruitt. The president hasn't said anything publicly to distance himself from Pruitt since then.

To Pruitt's champions, those are good signs. And it's a reminder to them that in the Trump administration, only one person's opinion matters — Trump's. As long as that's the case, they're confident Pruitt will outlast the current storm.

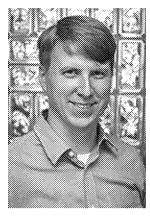
"His once-a-month rallies in Pennsylvania, Ohio, West Virginia to 10,000 and 20,000 — one of his big applause lines is mocking the environmental regulations and the U.N. climate treaty, and the crowd goes wild," Morano said. "Who loves him and who does he interact with? Those crowds. That's who he's loyal to. You have no idea how refreshing Donald Trump is. We're as happy as Roseanne that Donald Trump is president."

A-E

AIR POLLUTION: Pruitt's grant ban hits advisory panel at critical time Greenwire

As an EPA scientific advisory panel inches toward a key juncture in its high-stakes review of Clean Air Act standards for particulate matter, some members are facing a now-familiar dilemma: Give up agency funding or leave the group.

At least four panel members have been presented with that choice, according to court papers and interviews. While that's a relatively small percentage of the review panel's 27 members, it points to the continuing impact of the policy put in place last October by EPA Administrator Scott Pruitt.



Peter Adams. Carnegie Mellon University

For researchers caught in the middle, that policy continues to rankle.

"I feel like this new rule is kind of quote unquote 'solving' a problem that doesn't exist," said Peter Adams, a civil and environmental engineering professor at Carnegie Mellon University. Late last month, Adams was told that he was off the review panel after declining to relinquish an EPA grant.

The panel is in effect a work group for the seven-member Clean Air Scientific Advisory Committee (CASAC), which offers outside expertise to EPA during regularly required reviews of the air quality standards for particulate matter, ozone and four other "criteria" pollutants identified in the Clean Air Act.

EPA is now in the early stages of re-examining the particular matter standards, which were last strengthened in 2012. With recent studies suggesting current limits for so-called fine particulates still may not be tight enough to protect public health, the agency is tentatively expected to release a draft roundup of available research — known as an "integrated science assessment" — this summer. Traditionally, CASAC and the review panel would then provide feedback as a prelude to a second, revised draft.



Dr. Rob McConnell, USC

While EPA had replaced several members of the main CASAC around the time that Pruitt announced the new policy last fall, the agency has only recently begun to extend the grants prohibition to review panel members.

Also out is Dr. Rob McConnell, a professor of preventive medicine at the University of Southern California. Late last month, McConnell told EPA that he had chosen "grant-funded research over continued service" on the panel, according to a recent court filing in one of three lawsuits challenging Pruitt's policy. McConnell could not be reached for comment.

A third member, Dr. Joel Kaufman, interim dean at the University of Washington's School of Public Health, said in an email last week to E&E News that he, too, had been contacted by EPA. Kaufman didn't reply to a follow-up message asking what he intended to do.



Dr. Joel Kaufman. University of Washington

But Jeremy Sarnat, an associate professor of environmental health at Emory University, said he was ending an EPA grant related to climate change three months ahead of schedule in order to stay on the panel. In an email, Sarnat said he felt strongly that the strength of EPA's advisory committees rested in their "diverse representation" across academic and governmental lines.

"I see this new policy as a means of hindering this diversity, by making it difficult for people (like me) with careers conducting air pollution and health research in academic institutions to participate in CASAC," Sarnat said. "So, for this reason, I want to do what I can to ensure that the policy fails."

As of this morning, the particulate review panel's website had not been updated to reflect any membership changes.



Jeremy Samat. Emory University

Tom Brennan, acting head of EPA's Science Advisory Board staff office, which has been contacting review panel members about their status, referred questions to the agency's press office, where spokespeople did not reply to emailed questions. Also not responding to queries last week was Richard Yamada, a Pruitt appointee who has taken a lead role in implementing the policy as deputy head of EPA's Office of Research and Development.

But the turnover was welcomed by Steve Milloy, a senior policy fellow at the Energy and Environmental Legal Institute, an anti-regulatory group that unsuccessfully sued two years ago to force the dissolution of the entire panel on the grounds that most members had received EPA grant money at some point and were "inappropriately influenced" in favor of the agency's alleged predisposition toward stricter regulations (*Greenwire*, Aug. 2, 2016).

Milloy's only objection in this instance was that EPA didn't move faster.

"I would have gotten rid of them right away," he said in an interview last week. "I think Pruitt has taken the humane way out."

Echoes of 'secret science' bill

It's unclear whether departing review panel members will be replaced. In rolling out the new policy last fall, Pruitt described it as a way of ensuring researchers' "objectivity."

"There is a question that arises over independence," Pruitt said at the time. "They have to choose: either the grant or service. But not both" (*E&E News PM*, Oct. 31, 2017).

Detractors have noted that Pruitt appears to have no such worries about the industry ties of some of his own advisory panel appointees.

"Focusing on non-existent conflicts of interest related to EPA funding while overlooking much larger conflicts of interest in industry is clearly a losing proposition for the nation," Adams wrote to Brennan in an email last month after being told he was no longer on the review panel. Adams provided a copy of the exchange to E&E News.

The ban on participation by EPA grant recipients isn't the only uncertainty hovering over the particulate standards review, which is set to wrap up in 2022.

In a <u>presidential memorandum</u> last week, the White House instructed Pruitt to come up with criteria for all reviews of ambient air quality standards "to ensure transparency in the evaluation, assessment and characterization of scientific evidence."

To some observers, that language is reminiscent of the "secret science" legislation repeatedly introduced by House Science, Space and Technology Chairman Lamar Smith (R-Texas) to bar the use of research in the development of new EPA regulations that is not "transparent or reproducible." The latest version of the bill, <u>H.R. 1430</u>, is awaiting action by a Senate committee after winning House approval more than a year ago.

Among the legislation's backers has been Tony Cox, a Colorado consultant whose clients have included the American Petroleum Institute.

Named last fall by Pruitt as CASAC chairman, Cox is also expected to lead the particulate matter review panel. In an email late last week, Cox said he disagreed with critics who view the legislation as a backhanded way of excluding studies that would suggest the need for stronger limits on fine particulates.

"To the contrary, I believe that we should shine a bright light on available data, independent of whether it suggests or opposes any particular policy conclusion and should follow where the data lead," Cox said in response to questions from E&E News, adding that he had not yet reached a conclusion on whether the fine particulate standards should be revised.

"This will be important for all of the members of CASAC to deliberate about, and I expect that final conclusions will be informed by careful consideration of available evidence," Cox wrote. "Much of that process will take place later this year."

EPA 'Secret' Biofuel Waivers Undercut Trump's Pledge to Farmers Bloomberg Environment & Energy Report

Even as President Donald Trump floats the idea of more ethanol sales, critics says moves by his Environmental Protection Agency would undercut the support to corn farmers.

Trump said April 12 the government probably would allow the year-round sale of gasoline containing as much as 15 percent ethanol, a blend known as E-15. But some lawmakers and ethanol producers say the change is undermined as the EPA continues its longstanding practice of issuing hardship waivers to some oil refineries.

At the heart of the matter is demand for ethanol, usually made from corn. A federal mandate requires a certain amount of biofuel blending, a regulation that oil refineries have long complained is too expensive and burdensome. The EPA's waivers allow some of them to skirt the requirements.

The "EPA's practice of giving away secret hardship waivers to the country's biggest oil refining companies needs to stop," four Republican senators from top corn-producing states including Chuck Grassley and Joni Ernst of lowa said in a joint statement late April 12. The waivers are "effectively gutting" national biofuel quotas and are "another backdoor attempt" to destroy ethanol regulation, they said.

Trump has held a series of meetings in recent months to carve out a biofuels deal that satisfies the agriculture and oil lobbies, which also happen to represent two of his most important constituencies: farmers in the rural Midwest and blue-collar workers in industrial areas. The two sides have clashed repeatedly over the Renewable Fuel Standard, a complicated policy that crosses political lines.

On April 12, farmers cheered as Trump said the government would probably allow year-round sales of E15, a change from current policy that restricts its sale during the summer in areas where smog is a problem.

But in a meeting with farm-state lawmakers and governors, Trump also indicated there would be a two-year transition for the change, with "no guarantee" it would happen, and he stressed that he would be "helping the refineries" who have complained about the biofuel mandate.

EPA Encouraging Waivers

Trump's EPA already is doing just that. It has encouraged some 38 eligible oil refineries to apply for waivers and granted more than two dozen of them. A federal law allows exemptions for facilities that use no more than 75,000 barrels of crude per day, and a court ruling last year made winning waivers easier.

"The court basically said that, under the statute, EPA is required to give small refinery exemptions more liberally," Jeff Holmstead, the former assistant EPA administrator, said in an emailed statement April 12. What's more, the law "does not

make a distinction between small refineries owned by small parent companies and small refineries owned by a large ones."

Exxon Mobil Corp. has applied for at least one waiver, according to people familiar with the process who asked for anonymity to discuss the confidential program. Its 61,500 barrel-a-day facility in Billings, Mont., would qualify based on capacity. Suann Guthrie, an Exxon spokeswoman, declined to comment.

Billionaire Carl Icahn's CVR Energy Inc.'s Wynnewood, Okla., refinery, has a capacity below the 75,000-barrel threshold and could also qualify for the exemption.

Brandee Stephens, a spokeswoman for CVR, declined to comment on whether the company sought a waiver. Icahn, a former special adviser to Trump on regulations who has advocated for changes to the program, didn't respond to several messages requesting comment.

The EPA's waiver decisions "are based on refinery-specific information" and Department of Energy analyses, EPA spokesperson Liz Bowman said by email. "We continue to work through petitions received for 2017."

GOP Touts High-Octane Standard In RFS Reform Package But Faces Hurdles Inside EPA Top House Republicans are expressing confidence about enacting a nationwide high-octane fuel standard as part of a broader package to "reform" or scale back the renewable fuel standard (RFS), arguing the move could satisfy a range of fuel stakeholders while also giving automakers a relatively cheap compliance option for fuel economy limits.

However, ethanol groups are expressing concern about key details of such a standard, arguing that it may not expand biofuels' market share much beyond current RFS blending mandates and could even reduce that share.

In addition, both Democrats and Republicans, during an April 13 House hearing on the concept, raised a number of questions ranging from the policy's impact on the fuel supply's greenhouse gas emissions, the potential for mis-fueling a range of vehicles and potential increases in consumer costs.

Yet some top GOP lawmakers during the House Energy & Commerce environment subcommittee hearing touted the concept as providing benefits to multiple groups.

A high-octane standard is a "relatively low-cost way to increase miles per gallon," said panel Chairman John Shimkus (R-IL), adding it could offer a "pathway to use as much if not more" ethanol than is currently required by the RFS.

Similarly, Energy & Commerce Committee Chairman Greg Walden (R-OR) said the concept "seems like an elegant way to make both the RFS and the [corporate average fuel economy (CAFE)] standards work together."

While lawmakers must still "kick the proverbial tires of this idea," he said the topic is a priority for the committee and "we intend to move forward one way or the other."

Some Republicans <u>have long embraced the notion</u> of a high-octane standard, as the Trump administration and GOP lawmakers have struggled to develop consensus fixes to the RFS.

Octane is a measure of fuel's ability to resist engine "knock," or incorrect ignition. Fuels with higher octane ratings enable higher engine efficiency and lower emissions of GHGs and other pollutants.

As a result, some have urged California officials to exercise little-used federal authority to require gasoline sold in the state to have a higher octane level as a way to reduce vehicle GHGs, an issue that is not preempted by federal law -- unless and until Congress or EPA enacts federal octane limits.

At the same time, Shimkus has been involved in a months-long attempt to craft legislation reforming EPA's biofuel blending program, though some sources see the effort as unlikely to bear fruit in the near term given the looming November midterms.

Rep. Paul Tonko (D-NY), ranking Democrat on the subcommittee, told the hearing that he doubts that a high-octane standard by itself would do a better job than the RFS of encouraging lower-carbon advanced and cellulosic ethanol, though he said he is "open to hearing otherwise."

He noted that a standard expressed as 95 research octane number (RON) -- a proposal floated by many lawmakers and witnesses at the hearing -- is not guaranteed to be achieved by using ethanol or other low-carbon fuels, and could "increase the carbon intensity of the fuel supply."

Further, he charged that any octane standard should not be issued "without the certainty that these [CAFE] standards will continue and continue to be strengthened into the future."

RFS 'Sunset'

Though they broadly endorsed the concept of requiring higher octane, key stakeholder groups at the hearing were divided on important details.

For instance, American Fuel & Petrochemical Manufacturers (AFPM) President Chet Thompson testified that his group endorses a "performance-based" octane standard of 95 RON, provided it is accompanied with a "sunset" of the RFS, adequate lead time and measures to prevent mis-fueling.

In contrast, Growth Energy CEO Emily Skor said a high-octane standard is laudable but is a "different conversation" when coupled with an end to the RFS. She added that any standard must specify that a portion of the octane be achieved by "renewable fuels," as opposed to chemical additives.

Skor and a representative of gasoline retailers also urged EPA to grant a waiver allowing year-round sales of 15 percent ethanol (E15) blends. But Thompson said he is group is only willing to entertain such a step "as part of a comprehensive RFS solution." His members "would not be too keen to the idea in exchange for nothing."

To allow year-round sales, EPA would have to lift Reid vapor pressure (RVP) restrictions that currently limit sales in the summer. Ethanol advocates argue that the prohibition is outdated and that the air emissions profile of E15 is if anything better than the 10 percent blend (E10) that is the national standard.

President Donald Trump on April 12 <u>endorsed the concept</u> of year-round E15 sales, comments that prompted ethanol critics to charge that EPA lacks Clean Air Act authority for such a waiver.

Despite the apparent differences at the hearing, Shimkus claimed, "I believe that we are closer than people think" to agreement on the policy.

'Cost-Effective' Compliance

For their part, automakers are embracing a national high-octane standard, which would allow them to craft a new generation of turbo-charged engines designed to run on such fuel and achieve up to a 3 percent fuel economy gain.

Dan Nicholson, a global propulsion official with General Motors testifying on behalf of the United States Council for Automotive Research, said that combining high-octane fuels with advanced engines is "the most cost-effective thing that we can do" to comply with increasingly stringent CAFE and vehicle GHG requirements.

Such an effort could entail billions of dollars in investments to redesign engines over the next four-plus years, but "other things we can do will cost even more."

If Congress passed legislation with a high-octane standard this year, he said, automakers could deploy advanced engines designed for the fuel by model year 2023 at the earliest.

AFPM's Thompson said that if a high-octane standard is phased in, it might not cost his members much in the early years to comply but would ultimately require "tens of billions of dollars." Even so, he said refiners are willing to embrace the policy as a "compromise solution to a bad status quo: How do we help autos comply with CAFE and how do we make the RFS better?"

Thompson also claimed that a 95 RON standard would be good for the ethanol sector because ethanol is currently the cheapest way to boost octane levels in fuel. "It would provide them with every bit as much ethanol demand as they get under the RFS and likely more," he said.

He opposed requiring a certain level of ethanol to be used to achieve octane gains, noting that California and five other states currently ban E15 blends.

But Skor countered that a "performance" standard could allow oil refiners to use other petroleum products to boost octane, even if ethanol is a cheaper option, in order to crowd out ethanol's market share. As such, she called for the RFS to continue to provide "guard rails" that ensure ethanol has a place in the fuel market.

She noted that a 95 RON fuel is similar to premium fuel available today, which she said refiners make without significantly higher ethanol than regular gasoline.

Timothy Columbus, representing two trade associations of retail gas stations, said his members are mainly seeking "peace in the valley" regarding fuel policy. He backed a waiver allowing year-round sales of E15, while noting that the concept of a high-octane standard creates "substantial opportunity" for the ethanol sector.

He also backed a "performance" standard, arguing that would ultimately drive down consumer costs. Further, he urged Congress to allow sufficient lead time for retailers to upgrade underground storage tanks to ensure they can store higher ethanol blends, in order to avoid liability under the Resource Conservation and Recovery Act. -- Lee Logan (llogan@iwpnews.com)

The EPA's push for dirtier cars is based on old data The Verge Pruitt tells climate deniers he'll stop counting value of lives saved for new rules - ThinkProgress

CSS

Chemical List From EPA to Help Companies Meet October Deadline Bloomberg Environment & Energy Report

A list of chemicals that the EPA released April 12 should help paint, cleaning, and other companies that combine chemicals know if they need to notify the agency by Oct. 5 of the components of their mixtures.

The Toxic Substances Control Act amendments of 2016 require the EPA to divide its official inventory of chemicals into two parts: a list of chemicals that are active in commerce and a list of those that once were, but are now dormant.

The agency April 12 released information that will help companies that mix compounds comply with TSCA. The first <u>registry</u> is of particular interest to chemical processors—companies that make mixtures of chemicals such as cleaning products, car polish, and paint.

Live and in Commerce

That registry lists chemicals the agency believes to be active in commerce based on information chemical manufacturers provided earlier this year.

Chemical processors can check that list to make sure the chemicals they use are on it. If they are, no further action is required.

But if the chemicals these companies need are not on the provisional list, processors have until Oct. 5 to let the agency know they use the compound. The agency would then add the chemical to a final active-in-commerce list it is expected to release in 2019.

Under TSCA, only chemicals that are on the final active list can continue to be sold, used, or imported into the U.S.

The second chemical list the agency released is an update of its TSCA <u>inventory</u>, which lists all chemicals that have been made in or imported into the U.S. since the early 1980s. This larger inventory includes many chemicals that are no longer made or used.

House Farm Bill Seeks To Scrap Inter-Agency ESA Pesticide Consultations Inside EPA House Republicans in the recently introduced Farm Bill are proposing to amend federal pesticide law to strip a requirement that EPA consult with federal wildlife agencies on pesticides' risks to endangered species, a provision environmentalists say could make it more difficult to move the bill through the Senate and would speed extinctions.

The bill, H.R. 2, introduced April 12, would amend the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) to allow EPA to deem a pesticide "not likely" to adversely affect listed species or critical habitat, stripping the agency of an obligation under the Endangered Species Act (ESA) to consult with wildlife officials whenever a pesticide "may affect" a listed species, although the language does allow for registrants to petition the agency to consult.

"The Administrator shall not be required to consult or communicate with the Secretary of the Interior or the Secretary of Commerce when making such determination, unless otherwise petitioned to by the registrant of the pesticide," <u>a House Agriculture Committee summary of the provision says.</u>

Environmental groups that have long pressed EPA through federal lawsuits to consult on pesticides' risks to endangered species, are calling the bill language a pesticide industry handout that along with other "poison pill" provisions could preclude the Farm Bill from passing the Senate.

"This is one of many things that might sink the Farm Bill," a source with the Center for Biological Diversity (CBD) tells *Inside EPA*, characterizing the practical affect of the provision as allowing pesticide users to kill listed species provided they follow product label directions.

"It's going to make passing the Farm Bill exceptionally harder."

In an April 12 statement, CBD argues that the bill would seek to essentially codify <u>an April 2017 request</u> from Dow AgroSciences and other pesticide producers for EPA to scrap an Obama-era process for assessing pesticides risks under the ESA, that advocates say would allow EPA to ignore species' risks.

"Without question, this will accelerate extinctions for some of our most vulnerable species," CBD's Lori Ann Burd says in the statement. "Companies like Dow that have dumped millions into congressional campaigns are now calling all the shots in D.C. on dangerous pesticides."

The pesticide producers association CropLife America is backing the language as bringing needed changes. "The language included in the Farm Bill would streamline the administrative process, avoiding duplication, delay and procedural litigation," CropLife America President and CEO Jay Vroom says in a statement to *Inside EPA*.

"This is not a change in the safety standard, nor does the Farm Bill language change provisions for citizen suits."

A second pesticide industry official who supports the provision says that inter-agency consultation process for pesticide reviews is broken and that a new solution is needed to address the conflicting mandates of FIFRA and the ESA.

ESA Consultations

During the Obama administration, EPA, the U.S. Fish and Wildlife Service and the National Marine Fisheries Service (NMFS) crafted an inter-agency process for correcting EPA's long-standing failure to assess pesticides' risks to listed species as required under the ESA.

EPA officials have acknowledged that early iterations of the Obama-era process relied on highly conservative assumptions, and said they were working to improve the process.

In January, EPA Administrator Scott Pruitt and Trump officials overseeing federal wildlife agencies formed <u>a working</u> group to review and potentially revise the process that Pruitt described as broken.

But prospects for an agreement are "gloomy," according to Bill Jordan, a former deputy director of EPA's pesticides office. "Each side has to make some serious compromises," he said during an April 10 webinar.

EPA is seeking comment through May 22 on the first biological opinion (BiOp) finalized under the Obama-era process, including on the scientific approaches and data underlying the analysis. EPA has said the input is needed because a federal court late last year rejected NMFS' request to delay finalizing the BiOp, precluding the wildlife service from seeking public input, including from pesticide producers.

The language in the House Farm Bill mirrors language in <u>draft legislative text</u> that several environmental groups, including the CBD, Center for Food Safety, and Defenders of Wildlife, charged that pesticide industry officials were shopping on Capitol Hill and that they said "would eliminate all requirements for the EPA to consult with agencies that have the most expertise on endangered species."

Now CBD officials say the pesticide industry has succeeded in getting similar language in the farm bill.

The CBD source says advocates have been meeting with Senate Democrats for months to oppose pesticide industry efforts to strip the requirement for EPA to consult with wildlife officials on pesticides risks to endangered species.

"If the rider remains in place, consideration for impacts on endangered species would be written out of the process of registering pesticides," Burd says in an April 13 op-ed in *Environmental Health News*.

"If we don't stop it, it could not only directly fuel the extinction of many of our most endangered plants and animals -- it could eliminate one of the most important shields we have to protect all species, including humans, against highly toxic pesticides poisoning the waterways and landscapes we all depend on."

In addition to the consultation provision, section 9111 of the bill would also amend FIFRA to require that EPA use "best scientific and commercial data available" when registering pesticides, and to consider any use restrictions when assessing pesticides' risks, according to the summary.

The bill would set a schedule for EPA to make determinations on whether a pesticide is likely to jeopardize species or alter critical habit. EPA would have until Oct. 1, 2026 to assess ESA risks of pesticides initially registered before Oct. 1, 2007, and until Oct. 1, 2033 for those registered after that date and before enactment of the law. -- Dave Reynolds@iwpnews.com)

HHRA

NAS advice on IRIS disappoints chemical industry Inside EPA

The American Chemistry Council (ACC) says it is disappointed with the results of a National Academy of Sciences (NAS) report that largely backed reforms EPA is making to its Integrated Risk Information System (IRIS), saying the report did not go far enough in calling for reforms the group believes the program needs to ensure adequate assessments.

In <u>an April 13 statement</u>, ACC, the leading chemical sector trade association, charged that EPA provided the NAS panel with only limited information about its activities to reform the program.

"ACC had little expectation the committee would be able to properly evaluate the progress the agency has made to address past NAS recommendations," the statement says.

"NAS was tasked with reviewing proposed IRIS changes based on what EPA presented in a 1.5-day workshop. Unfortunately, EPA staff elected to provide only PowerPoint presentations that offered few details on the specific practices being used and did not include the review of any actual examples of completed assessments reflecting all the changes IRIS has made," it adds.

ACC's statement responds to a NAS's panel's <u>April 11 report</u> that praised EPA's efforts to improve its influential but controversial risk analysis program, and even backed supporters' efforts to keep Republicans from consolidating the program with EPA's toxics office, underscoring steps Congress took in EPA's recent budget bill.

"Overall, the committee was impressed with the changes being instituted in the IRIS program since" NAS' last IRIS review, published in 2014, the report said.

"The committee views the transformation of the IRIS program as a work in progress, recognizes that this review assesses one moment in time in a still-evolving program, and acknowledges that the IRIS program will (and should) continue to evolve as it adapts and applies new scientific approaches and knowledge," NAS' April 11 report states.

The findings mark a significant change for the program in the Trump administration as IRIS has faced years of critical reviews from NAS and others, and more recently, calls from industry representatives and GOP lawmakers to scale back the program.

While the NAS committee called for continued improvements in the program, ACC says the panel still fell short and pledges to continue to work with the administration and Congress to ensure additional reforms.

"While the report commends IRIS staff on the progress to implement systematic review as presented in its PowerPoint slides, the fact remains the agency has yet to produce any meaningful products (e.g., a finalized IRIS handbook, a draft IRIS assessment that reflects the new systematic review approach) based on the changes it says it has made. The absence of these critical pieces of information, after years of opportunity by EPA to address the 2011 and 2014 NAS recommendations, clearly indicates that much work still remains before IRIS assessments meet the benchmark of a gold standard review expected by the scientific community."

"We look forward to working with Congress and EPA to improve the IRIS program so that it will one day be able to produce high-quality, scientifically sound chemical assessments," ACC added.

SHC

Chesapeake Bay grass resurgence is first big conservation success tied to humans, scientists say Norfolk Virginian-Pilot

SSWR

Chemical in Fayetteville's tap water may cause cancer The Fayetteville Observer

North Carolina cracks down on Chemours's fluoroether air pollution Chemical & Engineering News

Science and Science Communication

SEE IT: Politico's Morning Energy

Marchers hit D.C. and other cities around the country for a second year to protest the Trump administration and politicians who thwart efforts to address climate change, as part of the March for Science. See POLITICO's photo gallery here.

Moira

Moira McGuinness

<u>EPA Research</u> Editor in Chief
202-564-1507—desk (T, Th, F)
202-590-0010—cell (M, W)
mcguinness.moira@epa.gov